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COUNTRY Argentina

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Comments on Policies of Peron Government by

Argentine Congressman

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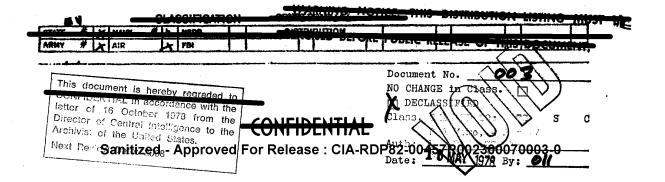
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- President Peron believes that the economic security he desires for Argentina can be achieved through access to raw materials in Chile, Peru, and Bolivia which can be used for the fulfillment of his Five-Year Flan. uninterropted flow of these raw materials can be obtained solely through trade agreements, which in some cases have failed to materialise. Without essential raw materials, Argentina remains economically weak.
- 2. Argentina desires strategic protection against an attack by Chile or Brazil or a concerted attack by any coalition of nations. Peron is maintaining a large army and is building army barracks and depots along the country's borders. He believes it imperative that Argentina regain military supremacy in the southern part of Latin America. Argentina's future foreign policy will be determined by the increasing influence of the army.
- 3. The nationalist elements within the government are crowding out foreign capital and foreign trade. This program, supported by Peron, is being effectuated by Miguel Miranda, who envisages parts of South America as exclusive Argentine markets. Despite the failure of this program as a result of the shortage of dollars, certain nationalists continue to oppose commercial negotiations with the United States and England. Argentine Congressmen believe that economic necessity will force the Argentine government to negotiate with the United States. In view of this, the Argentine government will not circulate any extensive anti-American propaganda for the time being. However, the government still desires to replace United States interests in South America with Argentine interests.
- 4. A split exists within the government with regard to its attitude toward the United States. One faction favors closer U.S.-Argentine relations in order that a sounder economy may be established in Argentina, and the other faction desires closer ties with Spain and the Old World. Foreign Minister







Juan Brannglia adhere to the former group but fears Tranda and will not press for such a policy.

- 5. The United States, in its attempt to consolidate its position in latin America in the "cold var" against Communism, is makin, the mistake of placein, too much confidence in feron, who is extremely unreliable and unboustworthy and who is abt to witherer from any commitment on the slightest presents. The United States is also mistaken in its policy of courting nationalists, reactionaries, and dictators in Latin America in order to consolidate its position. This program is called imperialism in many parts of Latin America. Confidential reports received by del many parts of Latin America. Confidential reports received by del many parts of throughout South America show a distinct distrust of the United States because of its policy of backin, governments which have the support and confidence of the local army and navy. Peron is able to impress those states—nen when he speaks against the United States.
- 6. Economic sanctions against Argentina would be be and weaken the position of any country applying them.
- 7. During 19h9 Argentina will shift its propaganda from an anti-American to an anti-Aritish line as a result of the need for American products. However, the anti-American feeling continues to exist, especially in the Subsecretaria do Informaciones y Prensa, where it is believed that the United States is responsible for Argentina's economic ills. Peron, his Spanish advisor Jose Figuerola, and the army share this latter opinion.
- 8. The Argentine political situation is far from settled, and the government is concerned over the results of the 5 December 1948 elections. The Perenista Party, which displayed no added strength, feels it has reached its peak of popularity. The government is also worried about the political ambitions of certain persons now in public office.
- 9. Poron will be given additional dictatorial powers as a result of the new constitutional reforms. The economic situation will worsen in the coming year, and Peron will be forced to avail himself of these added powers to maintain his government in power. Del fazo expects Peron to give Senora Peron increased powers despite army pressure.
- 10. Peron is rapidly forgettin, the importance of foreign relations and is primarily interested in enhancing his own prestige at home and furthering his future career by collaborating more closely with the army. Peron is primarily interested in national preparedness and is opposed to the restriction and reduction of armaments in spite of his peace talks. These peace talks are merely designed to conceal his proving military power and to establish a stronger case for his candidacy for the Mobel peace prize.